

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary    Public

**Date:** 4/27/2015

**GAIN Report Number:** RO1505

## Romania

**Post:** Bucharest

### Fish and seafood Market Brief- Romania

**Report Categories:**

Fishery Products

Product Brief

**Approved By:**

Russ Nicely

**Prepared By:**

Monica Dobrescu

**Report Highlights:**

Romanian domestic fish production has been on an upward trend over the past five years, but demand remains largely covered from imports. In 2014 fish and seafood imports increased in value by 15 percent as compared to 2013. The value of total imports exceeded 170 million USD in 2014 for a quantity of almost 71,000 MT. U.S. seafood exports on the Romanian market grew three times in 2014 in terms of value reaching \$1.49 million.

## **I. General Information**

Romania is the second largest market in east-central Europe after Poland, with a population of 19.9 million consumers. Economic growth expanded by 2.9 percent in 2014, one of the highest levels among the European Union members. According to the International Monetary Fund, Romania's economic growth is predicted to remain robust in 2015 and 2016, mainly driven by private consumption stimulated by rising real disposable income. In value terms, Gross Domestic Product reached in 2014 about 669.5 billion RON (approximately US\$200 billion) or US\$ 10,024/capita/year as compared to US\$ 9,570/capita in 2013.

The Romanian Retail market has enjoyed tremendous growth over the past several years. The expansion of modern retail formats positively influenced the food sector, contributing to its development. The value of total food retail market for 2014 is estimated at USD 21 billion, after a growth of 7.5 percent in 2014. According to Progressive Magazine (citing GfK Romania source), the share of modern retail at national level in total retail is estimated to have reached 54 percent in 2014, which is one percentage point higher than the previous year. Retailers focused until now their investments preponderantly into urban areas, but in the long-run rural areas may become more consistently the retail operators' target.

The level and sources of income differ between urban areas and rural areas. The major source of income for urban households is salaries (64 percent), followed by social benefits (22 percent) and income translated from the consumption of own agricultural products (5.8 percent). The latter is in fact the major source of income for households from rural areas (30 percent), followed by salaries (29 percent) and social income (24 percent).

In terms of household expenditure distribution, the share allocated for food and beverages in 2013 was 41.4 percent (0.5 percentage points lower than 2012, but still three times higher than the EU average). The share of expenditure allocated to alcoholic beverages remained flat at 7.8 percent, while the share for hotels, restaurants and pubs increased to 1.5 percent.

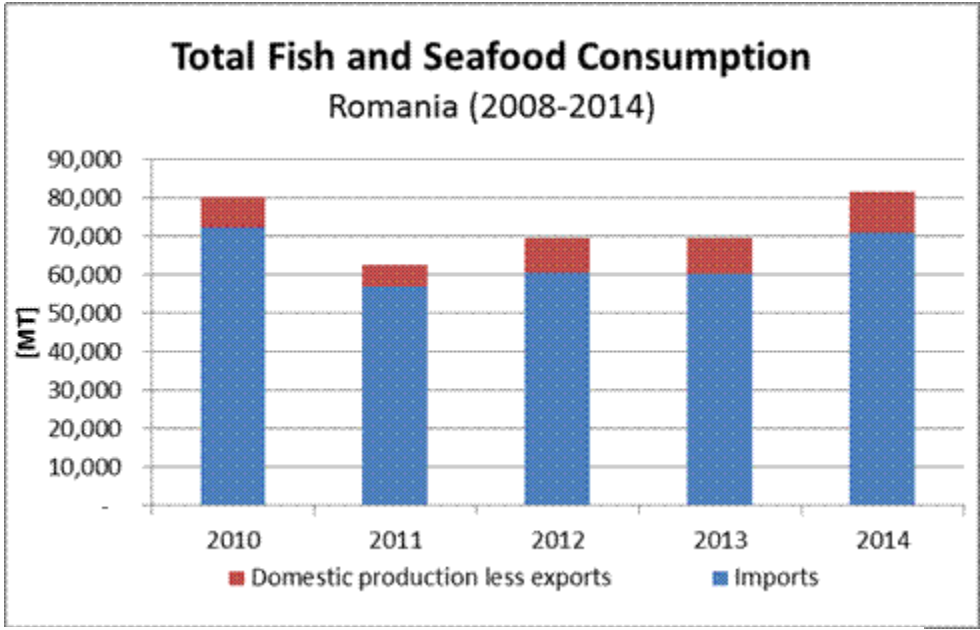
In terms of food taxation, Romania applies a 24 percent value-added tax (VAT) for all food products, which is one of the highest among the EU member states. Over the past few years, food associations lobbied consistently and continuously the Romanian Government to cut the VAT rate for food products. Their efforts produced results in April 2015 when the Romanian Government approved and placed for Parliamentary debate a draft Fiscal Code where VAT for food products is proposed to be cut from the current level of 24 percent to 9 percent, starting with June 2015.

## **II. Fishery market overview**

Fisheries represent an important sector in the Romanian economy, despite its relatively low contribution to the economy. The sector has a strong social component, as it represents the major income and food source in the areas along the coastline. The Romanian fisheries sector includes aquaculture, inland and marine capture fisheries activities, followed by the processing industry. The most important activity is aquaculture in fresh water, followed by fishing in inland waters. An area of 400,000 hectares is covered by natural lakes, including the Danube Delta, and artificial lakes. Marine fishing remains underdeveloped, despite Romania's 250 km coastline along the Black Sea.

According to data provided by the Ministry of Agriculture, an area of 102,356 hectares was dedicated to aquaculture last year, of which about 93.5 percent is for fishing production farms and about 6.5 percent for fish husbandry farms. Romania is endowed with an extensive rivers network which totals 66,000 km, of which about 18,000 km are located in mountain areas and 1,075 km is the Danube river.

As can be observed in the diagram below, domestic fish production has been on an upward trend over the past five years, after a dramatic fall in 2010, when fish production recorded a drop of 32 percent due to the economic crisis. Presently Romanian fishery sector continues to restructure, coping with a lack of resources and investments, deterioration of nursing and grow-out capacities, poor infrastructure and less-efficient technologies, all leading to low productivity.



Source: Ministry of Agriculture; FAO; Statistical Office; GTA; FAS estimates

Despite the recovery of the past few years, local fish production still cannot meet the consumers’ needs and preferences, thus covering less than 20 percent of the total demand (please see Table 1). The limited range of local valuable species and poor processing opportunities stimulate imports, which became the major fish source. Marine capture figure covers less than 20 percent.

Table 1. Fish and seafood Market, Romania

	2010	2011	2012	2013	2014
--	------	------	------	------	------

<b>Aquaculture (MT)</b>	8,981	8,353	10,007	10,147	10,300
<b>Capture (MT)</b>	2,688	3,254	3,500	3,800	4,000
<b>Total domestic production (MT)</b>	11,669	11,607	13,507	13,947	14,300
<b>Import (MT)</b>	72,450	56,822	60,755	60,298	71,024
<b>Export (MT)</b>	3,766	5,625	4,723	4,752	3,693
<b>Total availability (MT)</b>	80,353	62,804	69,539	69,493	81,631
<b>Population ('000 inhabitants)</b>	20,290	20,200	20,100	20,020	19,943
<b>Consumption per capita (kg)</b>	<b>3.96</b>	<b>3.11</b>	<b>3.46</b>	<b>3.47</b>	<b>4.09</b>

*Source: Ministry of Agriculture; FAO; Statistical Office; GTA; FAS estimates*

Per capita consumption fell in 2011 as low as 3.11 kg/capita down from 4.44 kg in 2008, due to deteriorating consumer purchasing power. The economic crisis in general coupled with the VAT rate increase in the mid-2010's from 19 percent to 24 percent played also a role in shrinking consumer demand. The recovering process started in 2012 when consumption reached 3.46 kg and 4.09 kg in 2014. A further improvement from the VAT reduction to 9 percent is expected to be seen in the near future.

The most important group of fish species harvested in Romania is cyprinids, covering about 87 percent of the activity. The dominant specie in the cyprinids category is common carp, followed by Silver carp, Bighead carp and Grass Carp. The balance of 13 percent is dominated by trout (11 percent), followed by catfish, pike perch, pike, sturgeon etc. As it can be noticed in Table 2 below, fish aquaculture changed only slightly from 2009 to 2013, trout, perch and other species increased at the expense of carp and catfish.

**Table 2. Fish Species Aquaculture, Romania**

	2009	2010	2011	2012	2013
<b>Common Carp</b>	4,142	2,888	2,652	3,266	3,395
<b>Crucian Carp</b>	1,623	934	1,048	868	1,004
<b>Silver Carp</b>	2,971	2,016	1,323	2,087	2,031
<b>Grass Carp</b>	2,352	1,020	1,289	2,110	2,110
<b>Grass carp</b>	283	84	62	182	190
<b>Catfish</b>	133	164	33	43	44
<b>Pike Perch</b>	45	57	42	56	43
<b>Northern pike</b>	22	31	34	31	28
<b>Perch</b>	6	6	4	7	2
<b>Trout</b>	1,238	1,400	1,710	1,074	1,106
<b>Sturgeon</b>	0	39	19	11	16
<b>African catfish</b>	0	0	72	150	94
<b>Mussels, oysters</b>	0	0	1	9	16
<b>Snails</b>	0	0	0	1	0
<b>Other species</b>	316	342	64	112	68
<b>TOTAL (MT)</b>	<b>13,131</b>	<b>8,981</b>	<b>8,353</b>	<b>10,007</b>	<b>10,147</b>

*Source: Ministry of Agriculture*

### III. Consumer fish and seafood demand

Fish processing has recorded a decline over the past years, the number of fish processing facilities fell from 76 in 2008 to less than half that number currently. Processors utilize mostly imported fish species and less domestic species as raw material for processed products. The marine species more suitable for processing are salmon, herring, sprat and mackerel, while carp, catfish, freshwater bream are the freshwater species preferred for processing.

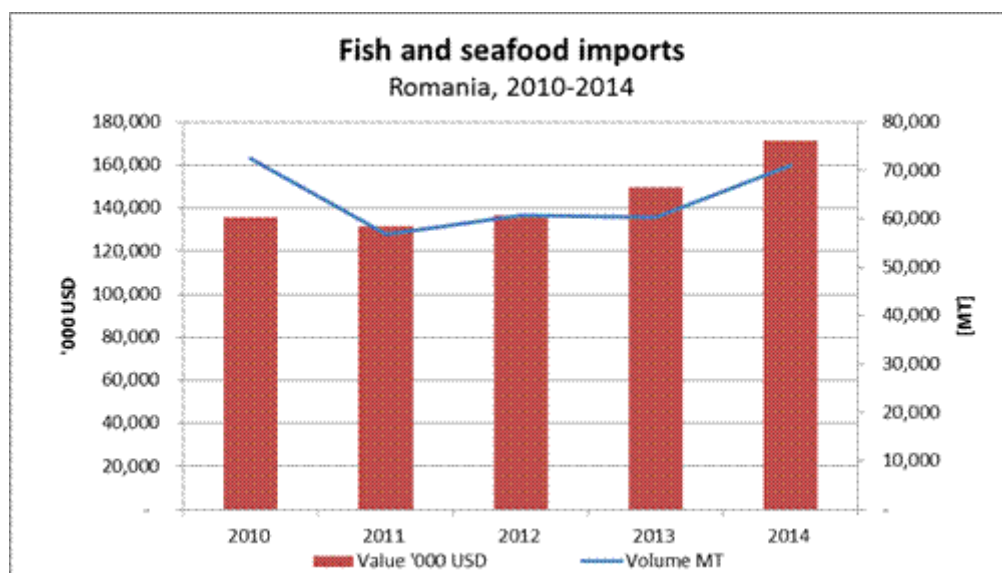
Over the past few years the fish processing industry changed significantly. Investments in the newest technologies which ensure products remain fresh and of good quality for a longer time are worthwhile to mention. EU funds allocation for this purpose has been an important instrument in undertaking such investments. Industry adapted the supply to consumers' needs through a larger portfolio, or providing smaller and friendlier packaging and labelling and posting additional information about products. Seafood products are perceived in general by Romanian consumers as expensive and hard to cook. Social media plays an important role here, media platforms becoming important tools in conveying information about seafood species, recipes and cooking tips and attracting young and middle-age consumers to less familiar culinary items.

In terms of consumption habits, fish is consumed year-round, with consumption peaks on certain days of the fasting periods preceding important Orthodox celebrations, such as Christmas, Easter.

#### **IV. Fish and seafood trade**

As part of the European Union, Romania is using the trade regime adopted at the European Union level. Import duty rates vary from 0 percent up to 26 percent, depending on the product. [This website](#) is a good tool in finding out the duty rate for a specific product.

Seafood demand is largely covered from imports. In 2014 fish and seafood imports increased in value and quantity by 15 percent, respectively 18 percent as compared to 2013 (see below). All seafood categories grew, except live fish and dried or salted fish, which dropped by 19 percent, and 10 percent respectively in terms of volume. The value of total imports exceeded 170 million USD in 2014 for a quantity of almost 71,000 MT, which is 26 percent more than in 2010 in value terms, but slightly lower in quantitative terms (please see Appendix for more details).



Source: Global Trade Atlas

- **Frozen fish**

The import value of frozen fish increased in 2014 by 17%, reaching nearly \$68 million, as compared to the previous year. The predominant import species is frozen mackerel, its share varying between 45 and 55 percent in the past five years. Although this share may sound high, it is worth noting that it is lower than 8-10 years ago, when mackerel occupied about 68-72 percent of the total frozen imported fish in Romania, the latest trend reflecting both a smaller available supply and orientation to other species in recent years. Herring ranks second after mackerel, in terms of value, about 12 percent in 2014 as compared to 14 percent 2013. Other frozen fish species include hake (5 percent), sardines (3 percent), trout (3 percent), Atlantic Salmon (2 percent) and Alaska Pollock (1 percent). The main suppliers of frozen fish in 2014 were Spain (\$18 million), the Netherlands (\$14 million), Poland (\$11.9 million). The United States ranked ninth among the frozen fish suppliers with \$1.23 million in 2014, a value which is 4.5 times higher than in 2013.

- **Crustaceans**

The import value rose by 20 percent in 2014 compared to the previous year, exceeding \$7.6 million (for comparison, this value was in 2010 about \$3.4 million). The major part of crustaceans is Shrimps (69 percent), followed by lobsters (5 percent). The major suppliers are Italy, the Netherlands, Germany, and France. United States exported in 2014 live lobsters worth of \$235,000, which is 9 percent increase from last year.

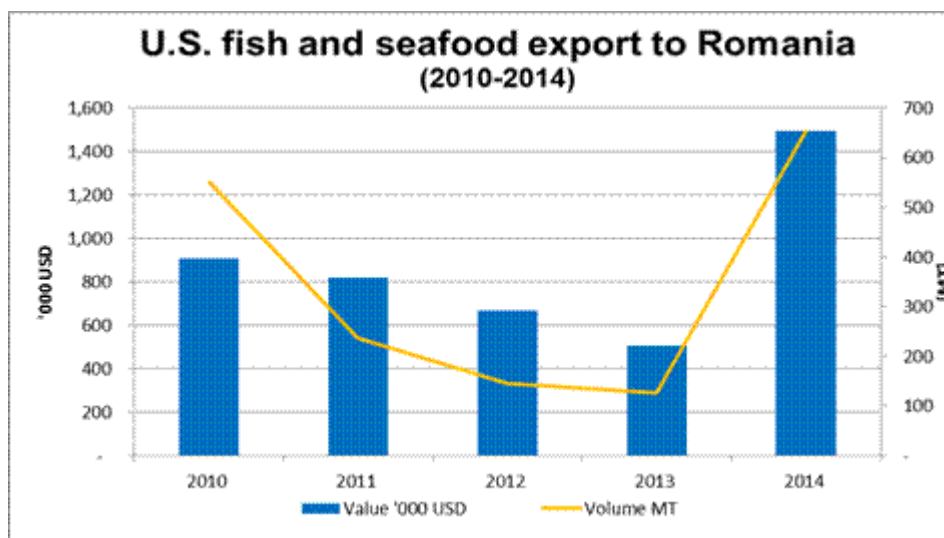
- **Mollusks**

Mollusks import increased by 18 percent in 2014 in value, exceeding \$11 million as compared to the previous year (the value was \$6.4 million five years ago). All mollusks categories, with few exceptions, had a positive evolution in 2014 as compared to the previous year, snail imports growing by 35 percent, scallops by 22 percent, oysters by 18 percent, mussels by 9 percent and squids by 3.5 percent. The main suppliers for this category were France, Italy, the Netherlands. U.S. mollusks exports reached about

\$17,000 in 2014 and they consisted entirely of scallops.

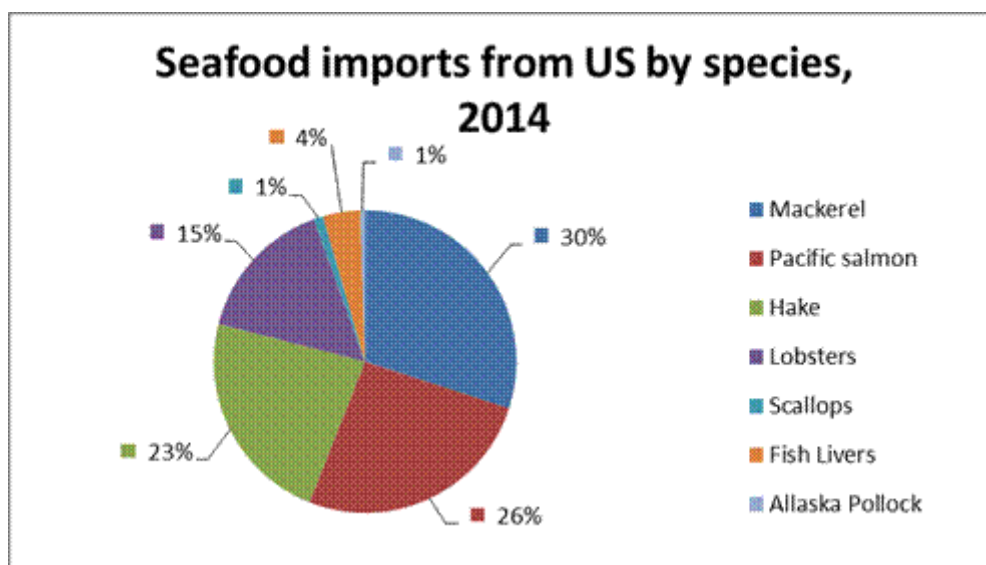
## V. Fish and seafood imports from the United States

U.S. seafood exports on the Romanian market grew three times in 2014 in terms of value and volume. Seafood export value rose from \$506,000 in 2013 to \$1.49 million in 2014, and in quantitative terms, import volume rose from 127 MT in 2013 to 653 MT in 2014. As it can be observed in the diagram below, the U.S. seafood exports had been on a declining trend until 2014, when higher U.S. competitiveness led to larger exports on the Romanian market. Both value and volume exceeded in 2014 the level recorded five years ago (2010). Detailed data regarding fish and seafood imports of U.S. origin is shown in Appendix.



Source: Global Trade Atlas

In terms of species, mackerel was the major species imported from the United States in 2014 (30 percent in terms of value), followed by Pacific Salmon (26 percent), Hake (23 percent) and lobsters (16 percent) (please see the diagram below).



*Source: Global Trade Atlas*

Seafood consumption is expected to continue rising in Romania. The experience gained by travelling abroad, the curiosity and the need to diversify their diets are expected to contribute to moving the fish consumption upward in terms of both quantity and range of products. Regular species, such as Mackerel, Herrings, Hake have good prospects, while other species, such as Pacific and Atlantic Salmon and lobsters will continue their steady growth. Retail chains expansion will allow importers to reach new customers strengthening in the same time the communication with the Romanian consumers. A positive economic growth outlook in general, coupled with the recently proposed measure to cut the VAT rate, should convince consumers to try new seafood products and spur higher consumption. Retail positive developments along with increasing tourism and growing number of high-class hotels and restaurants increase prospects for U.S. food products exports.

## **VI. Fish and Seafood Import Requirements**

As a member of the EU-28, Romania applies the same regime for importing fishery products originating from third countries as does the European Union. Each Border Inspection Point (BIP) is authorized to perform a certain set of checks depending on the type of commodity, therefore, U.S. exporters should verify if the border point they intend to use for commodities entrance in Romania is authorized by the competent authority to perform checks on the respective category of products (frozen, live etc.). The same border point should be indicated on the documents accompanying the goods.

Local importers must notify the Border Inspection Point about the arrival of fishery products by submitting the EU document Common Veterinary Entry Document (CVED). Upon arrival at the Border Inspection Point, the fishery products are subject to three types of verification: documentary, identity and physical.

Documentary verification consists of checking the documents accompanying the imported goods. Fishery products entering the EU territory must originate in a country approved for export by the European Union and from an EU approved establishment within that country. Seafood shipments must

be accompanied by veterinary certificates as provided by Commission Decision 2006/199 laying down specific conditions for imports of fishery products from the United States of America and Regulation 1012/2012 concerning the health requirements for fish imports.

As part of the identity verification, the Officials at the Border Inspection Point will check if the information provided in the documents fulfills the requirements, if the number of the transportation mean is identical with the one provided in the official documents, if the seal check is intact and has the same number as the one written in the documents and if the stamps and health marks which identify the country and the approved establishment contain the same information as the documents.

As part of the physical control, the Officials at the Border Inspection Point will perform checks on the mean of transportation, more specifically the temperature, product weight, packaging, marks and product itself (smell, taste, color, content etc.). The BIP representatives may run laboratory testing on products for a certain percentage of the shipment.

A more comprehensive guide about exporting seafood to the European Union produced by National Oceanic and Atmospheric Administration (NOAA) is available here  
<http://www.seafood.nmfs.noaa.gov/pdfs/howtoexportseafood2014.pdf>

## **FAS CONTACT**

For further information on this report, please contact the following office in Bucharest:

Foreign Agricultural Service (FAS)  
American Embassy Bucharest  
4-6 Liviu Librescu Street Sector 1  
Bucharest, Romania

Phone: (+40) 21 200 3374

Fax: (+40) 21 200 3442

E-mail: [AgBucharest@fas.usda.gov](mailto:AgBucharest@fas.usda.gov)

## **Appendix I. Government Regulatory Agency Contacts:**

### **Ministry of Agriculture and Rural Development**

24, Bd. Carol I, sector 2

020921 Bucharest, Romania

Phone: (+40) 21 307 2300/2345/8500

Fax: (+40) 21 307 8685

E-mail: [comunicare@madr.ro](mailto:comunicare@madr.ro)

Website: <http://www.madr.ro>

### **National Sanitary-Veterinary and for Food Safety Authority**

P-ta Presei Libere nr. 1 Corp D1 Sector 1

013701 Bucharest, Romania

Phone: (+40) 37 415 0200

Fax: (+40) 21 312 4967

E-mail: [office@ansvsa.ro](mailto:office@ansvsa.ro)

Website: <http://www.ansvsa.ro>

### **National Customs Authority**

13 Matei Millo St.

Sector 1 Bucharest

Phone: (+40) 21 315 5858/5859

E-mail: [relatiipublice@customs.ro](mailto:relatiipublice@customs.ro)

Fax: (+40) 21 313 8251

Website: <http://www.customs.ro>

## Appendix II

### Total Fish and seafood Imports into Romania, 2010-2014

HS Code/Name	Unit of Measure	2010	2011	2012	2013	2014	2014 vs 2010 %	2014 vs 2013 %
0301 Fish, Live	'000 USD	4,164	4,686	3,758	5,085	3,468	(16.73)	(31.81)
	MT	1,539	1,829	1,619	1,620	1,313	(14.68)	(18.95)
0302 Fish, Fresh Or Chilled	'000 USD	28,057	33,388	26,816	37,854	42,150	50.23	11.35
	MT	6,150	8,207	5,953	7,690	8,318	35.25	8.17
0303 Fish, Frozen	'000 USD	52,653	49,206	60,993	58,188	67,895	28.95	16.68
	MT	42,287	31,428	39,448	36,812	45,251	7.01	22.92
0304 Fish, Fillet	'000 USD	35,614	27,438	24,444	26,102	31,744	(10.87)	21.61
	MT	19,306	12,497	9,710	10,183	12,005	(37.82)	17.89
0306 Crustaceans, Live Fresh Chilled Frozen Dried	'000 USD	3,460	4,711	5,121	6,351	7,627	120.40	20.08
	MT	374	462	509	598	609	62.83	1.84
0307, Mollusks, Live, Fresh, Chilled, Frozen, Dried, Salted Or In Brine	'000 USD	6,413	6,980	9,429	9,070	11,063	72.51	21.97
	MT	1,128	1,042	1,496	1,469	1,800	59.57	22.53
0305, Fish, Dried, Salted Or In Brine	'000 USD	5,447	5,293	5,969	6,775	7,174	31.71	5.89
	MT	1,666	1,357	1,827	1,718	1,549	(7.02)	(9.84)
<b>TOTAL FISH and SEAFOOD</b>	'000 USD	<b>135,808</b>	<b>131,702</b>	<b>136,529</b>	<b>149,425</b>	<b>171,120</b>	<b>26</b>	<b>14</b>
	MT	<b>72,450</b>	<b>56,822</b>	<b>60,562</b>	<b>60,090</b>	<b>70,845</b>	<b>(2.22)</b>	<b>17.90</b>

Source: Global Trade Atlas

### Fish and seafood Imports from United States, by species, 2010-2014

HS Code/Name	Unit of Measure	2010	2011	2012	2013	2014
<b>0303</b>	'000 USD	<b>591</b>	<b>272</b>	<b>372</b>	<b>271</b>	<b>1,233</b>
<b>Fish, Frozen, of which</b>	MT	<b>530</b>	<b>215</b>	<b>124</b>	<b>114</b>	<b>644</b>
030312	'000 USD	-	-	-	185	391
Pacific Salmon, Frozen, Nesoi	MT	-	-	-	84	127
030325	'000 USD	-	-	95	-	-
Carp, Frozen	MT	-	-	54	-	-
030354	'000 USD	254	-	-	-	441
Mackerel, Frozen	MT	273	-	-	-	303
030366	'000 USD	337	240	97	45	342
Hake, Frozen	MT	257	189	45	23	208
030367	'000 USD	-	-	-	-	6
Alaska Pollock, Frozen	MT	-	-	-	-	3
030390	'000 USD	-	9	177	41	54
Fish Livers And Roes, Frozen	MT	-	1	24	7	3

030371	'000 USD	-	1	-	-	-
Sardines Except Fillets, Livers And Roes, Frozen	<i>MT</i>	-	1	-	-	-
030379	'000 USD	-	23	-	-	-
Fish, Nesoi, With Bones, Frozen	<i>MT</i>	-	24	-	-	-
<b>0306</b>	<b>'000 USD</b>	<b>198</b>	<b>271</b>	<b>240</b>	<b>213</b>	<b>232</b>
<b>Crustaceans Live Fresh Smoked/Cooked Flours, of which</b>	<b><i>MT</i></b>	<b>8</b>	<b>10</b>	<b>9</b>	<b>9</b>	<b>8</b>
030622	'000 USD	198	271	240	213	232
Lobsters, Live, Fresh, Chilled Dried, Salted Or In Brine	<i>MT</i>	8	10	9	9	8
<b>0307</b>	<b>'000 USD</b>	<b>1</b>	<b>-</b>	<b>10</b>	<b>18</b>	<b>16</b>
<b>Mollusks Live Fresh; Smoked; Flours Edible</b>	<b><i>MT</i></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
030721	'000 USD	0.603	0	9.788	17.713	16.41
Scallops Including Queen Scallops, Live, Fresh, Chilled	<i>MT</i>	-	-	-	-	-
<b>0302 Fish, Fresh Or Chilled (No Fillets Or Other Meat), of which</b>	<b>'000 USD</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11</b>
	<b><i>MT</i></b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
030290	'000 USD	42	-	-	-	11
Fish Livers And Roes, Fresh Or Chilled	<i>MT</i>	1	-	-	-	-
<b>0305</b>	<b>'000 USD</b>	<b>61</b>	<b>264</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fish, Dried, Salted, Smoked</b>	<b><i>MT</i></b>	<b>6</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>0304</b>	<b>'000 USD</b>	<b>13</b>	<b>10</b>	<b>47</b>	<b>5</b>	<b>-</b>
<b>Fish Fillets &amp; Other Fish Meat, Fresh, Chilled Or Frozen</b>	<b><i>MT</i></b>	<b>6</b>	<b>4</b>	<b>12</b>	<b>4</b>	<b>-</b>
<b><u>TOTAL FISH and SEAFOOD</u></b>	<b>'000 USD</b>	<b>906</b>	<b>817</b>	<b>668</b>	<b>506</b>	<b>1,492</b>
	<b><i>MT</i></b>	<b>551</b>	<b>237</b>	<b>145</b>	<b>127</b>	<b>653</b>

Source: Global Trade Atlas